

Consolidated Financial Results for the Six Months Ended February 29, 2020 [Japanese GAAP]



April 9, 2020

Company name: BIC CAMERA INC. Stock exchange listing: Tokyo Stock Exchange
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 Scheduled date of filing quarterly securities report: April 13, 2020
 Scheduled date of commencing dividend payments: May 19, 2020
 Availability of supplementary briefing material on quarterly financial results: Available
 Schedule of quarterly financial results briefing session: None
 (We will cancel holding quarterly financial results briefing to prevent the spread of coronavirus infection.
 We are planning a video streaming of the quarterly financial results briefing by the President instead.)

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Six Months Ended February 29, 2020 (September 1, 2019 to February 29, 2020)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Six months ended February 29, 2020	436,588	(1.2)	7,665	(39.4)	9,096	(34.7)	4,854	(41.6)
February 28, 2019	441,897	6.5	12,659	(5.2)	13,938	(3.2)	8,311	(4.5)

(Note) Comprehensive income: Six Months Ended February 29, 2020: ¥ 5,942 million [(35.4%)]
 Six Months Ended February 28, 2019: ¥ 9,195 million [(16.5%)]

	Net income per share	Diluted net income per share
	Yen	Yen
Six months ended February 29, 2020	27.59	27.59
February 28, 2019	46.58	46.58

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of February 29, 2020	400,579	167,017	34.3
As of August 31, 2019	400,451	163,342	33.4

(Reference) Equity: As of February 29, 2020: ¥ 137,221 million
 As of August 31, 2019: ¥ 133,902 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended August 31, 2019	-	10.00	-	10.00	20.00
Fiscal year ending August 31, 2020	-	10.00			
Fiscal year ending August 31, 2020 (Forecast)			-	-	-

(Note) Revision to the forecast for dividends announced most recently: Yes
 The forecast for the year-end dividend for the fiscal year ending August 2020 has not yet been determined at this moment.

**3. Consolidated Financial Results Forecast for the Fiscal Year Ending August 31, 2020
(September 1, 2019 to August 31, 2020)**

(% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	Net income per share
Full year	Million yen	%	Million yen	%	Million yen	%	Million yen	Yen
	841,000	(5.9)	3,500	(84.7)	6,500	(74.9)	1,800 (87.2)	10.23

(Note) Revision to the financial results forecast announced most recently: No

*** Notes:**

- (1) Changes in significant subsidiaries during the period under review (changes in specified subsidiaries resulting in changes in scope of consolidation): No
- (2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates and retrospective restatements
 - 1) Changes in accounting policies due to the revision of accounting standards, etc.: No
 - 2) Changes in accounting policies other than 1) above: No
 - 3) Changes in accounting estimates: No
 - 4) Retrospective restatements: No
- (4) Total number of issued shares (common shares)
 - 1) Total number of issued shares at the end of the period (including treasury shares):
 - February 29, 2020: 188,146,304 shares
 - August 31, 2019: 188,146,304 shares
 - 2) Total number of treasury shares at the end of the period:
 - February 29, 2020: 12,211,800 shares
 - August 31, 2019: 12,213,800 shares
 - 3) Average number of shares during the period:
 - Six months ended February 29, 2020: 175,933,602 shares
 - Six months ended February 28, 2019: 178,430,581 shares

* These quarterly financial results are outside the scope of quarterly review procedures under the Financial Instruments and Exchange Act.

*** Explanation of the proper use of financial results forecast and other notes**

(Notes regarding forward-looking statements, etc.)

The earnings forecasts and other forward-looking statements herein are based on information the Company has acquired and certain assumptions deemed reasonable as of the date of publication of this document. Actual results may differ significantly from these forecasts due to a wide range of factors.

(Method of obtaining supplementary briefing material on quarterly financial results.)

The supplementary material on quarterly financial results will be scheduled to be posted on our website.

(Method of obtaining the contents of the quarterly financial results briefing.)

A video of the quarterly financial results will be scheduled to be distributed on our website.

Consolidated Financial Statements

(1) Consolidated quarterly balance sheets

(Millions of yen)

	As of August 31, 2019	As of February 29, 2020
Assets		
Current assets		
Cash and deposits	25,791	26,165
Accounts receivable - trade	39,008	39,884
Merchandise and finished goods	127,954	125,028
Raw materials and supplies	682	671
Program right	78	132
Other	15,688	15,282
Allowance for doubtful accounts	(268)	(274)
Total current assets	208,936	206,891
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	30,385	30,900
Land	46,998	47,000
Other, net	10,125	11,383
Total property, plant and equipment	87,509	89,284
Intangible assets	23,105	23,913
Investments and other assets		
Guarantee deposits	42,529	42,537
Other	38,698	38,338
Allowance for doubtful accounts	(329)	(385)
Total investments and other assets	80,898	80,490
Total non-current assets	191,514	193,688
Total assets	400,451	400,579

(Millions of yen)

	As of August 31, 2019	As of February 29, 2020
Liabilities		
Current liabilities		
Accounts payable - trade	58,387	44,452
Short-term borrowings	50,224	66,855
Current portion of long-term borrowings	8,954	8,656
Income taxes payable	3,429	3,486
Provision for bonuses	3,378	3,102
Provision for point card certificates	12,922	12,790
Provision for loss on store closings	260	180
Asset retirement obligations	78	416
Other	36,291	33,527
Total current liabilities	173,927	173,467
Non-current liabilities		
Long-term borrowings	29,375	26,709
Provision for goods warranties	824	706
Provision for loss on store closing	741	705
Retirement benefit liability	16,320	16,819
Asset retirement obligations	9,239	8,957
Other	6,681	6,195
Total non-current liabilities	63,181	60,094
Total liabilities	237,108	233,562
Net assets		
Shareholders' equity		
Share capital	25,929	25,929
Capital surplus	27,139	27,140
Retained earnings	96,699	99,794
Treasury shares	(16,737)	(16,734)
Total shareholders' equity	133,030	136,129
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,913	1,939
Remeasurements of defined benefit plans	(1,041)	(847)
Total accumulated other comprehensive income	871	1,092
Share acquisition rights	53	70
Non-controlling interests	29,386	29,725
Total net assets	163,342	167,017
Total liabilities and net assets	400,451	400,579

(2) Consolidated quarterly statements of income

(Millions of yen)

	From September 1, 2018 to February 28, 2019	From September 1, 2019 to February 29, 2020
Net sales	441,897	436,588
Cost of sales	321,918	318,050
Gross profit	119,979	118,537
Selling, general and administrative expenses	107,319	110,871
Operating income	12,659	7,665
Non-operating income		
Interest income	39	32
Dividend income	82	108
Commission income	721	733
Other	670	762
Total non-operating income	1,515	1,637
Non-operating expenses		
Interest expenses	145	133
Other	90	73
Total non-operating expenses	236	206
Ordinary income	13,938	9,096
Extraordinary income		
Gain on sales of non-current assets	25	1
Total extraordinary income	25	1
Extraordinary losses		
Loss on sales of non-current assets	-	0
Loss on retirement of non-current assets	172	52
Loss on sales of investment securities	-	11
Provision for loss on store closings	38	85
Other	4	0
Total extraordinary losses	214	150
Profit before income taxes	13,750	8,947
Income taxes - current	3,896	2,765
Income taxes - deferred	(13)	445
Total income taxes	3,882	3,211
Profit	9,867	5,736
Profit attributable to non-controlling interests	1,555	881
Profit attributable to owners of parent	8,311	4,854

(3) Consolidated quarterly Comprehensive income

(Millions of yen)

	From September 1, 2018 to February 28, 2019	From September 1, 2019 to February 29, 2020
Profit	9,867	5,736
Other comprehensive income		
Valuation difference on available-for-sale securities	(789)	33
Remeasurements of defined benefit plans, net of tax	117	172
Total other comprehensive income	(672)	206
Comprehensive income	9,195	5,942
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	7,675	5,075
Comprehensive income attributable to non-controlling interests	1,519	867

(4) Quarterly consolidated statement of comprehensive income

(Millions of yen)

	From September 1, 2018 to February 28, 2019	From September 1, 2019 to February 29, 2020
Cash flows from operating activities		
Profit before income taxes	13,750	8,947
Depreciation	3,680	4,094
Amortization of goodwill	180	180
Increase (decrease) in allowance for doubtful accounts	(32)	61
Increase (decrease) in provision for bonuses	(483)	(275)
Increase (decrease) in provision for point card certificates	314	(132)
Increase(decrease) in provision for goods warranties	(191)	(110)
Increase (decrease) in retirement benefit liability	635	794
Increase (decrease) in provision for loss on store closings	(249)	15
Interest and dividend income	(122)	(141)
Interest expenses	145	133
Loss (gain) on sales of non-current assets	(25)	(1)
Loss on retirement of non-current assets	172	52
Loss (gain) on sales of investment securities	-	11
Decrease (increase) in trade receivables	(2,879)	(876)
Decrease (increase) in inventories	(20,375)	2,882
Increase (decrease) in trade payables	1,611	(13,935)
Other, net	(2,478)	(2,101)
Subtotal	(6,348)	(400)
Interest and dividends received	88	112
Interest paid	(148)	(133)
Income taxes paid	(5,221)	(2,656)
Subsidies received	148	97
Net cash provided by (used in) operating activities	(11,481)	(2,979)
Cash flows from investing activities		
Purchase of property, plant and equipment	(5,352)	(4,925)
Proceeds from sales of property, plant and equipment	87	1
Purchase of intangible assets	(1,126)	(1,989)
Purchase of investment securities	(4)	(100)
Proceeds from sales of investment securities	-	80
Payments of guarantee deposits	(625)	(1,003)
Proceeds from refund of guarantee deposits	709	568
Other, net	47	(182)
Net cash provided by (used in) investing activities	(6,263)	(7,550)

(Millions of yen)

	From September 1, 2018 to February 28, 2019	From September 1, 2019 to February 29, 2020
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	7,588	16,631
Proceeds from long-term borrowings	26,600	1,800
Repayments of long-term borrowings	(11,046)	(4,763)
Dividends paid	(2,669)	(1,756)
Dividends paid to non-controlling interests	(134)	(525)
Repayments of lease obligations	(537)	(482)
Other, net	(0)	(0)
Net cash provided by (used in) financing activities	19,798	10,903
Effect of exchange rate change on cash and cash equivalents	(0)	0
Net increase (decrease) in cash and cash equivalents	2,053	373
Cash and cash equivalents at beginning of period	21,967	25,791
Cash and cash equivalents at end of period	24,021	26,165

(5) Sales by product line

Item			From September 1, 2019 to February 29, 2020		
			Sales (Millions of yen)	Composition ratio (%)	Previous year comparison (%)
	Audio visual products	Cameras	16,105	3.7	(15.2)
		TVs	22,761	5.2	15.2
		BD/DVD recorders, Video cameras	8,319	1.9	(1.9)
		Audios	7,505	1.8	(0.9)
		Others	17,074	3.9	7.2
		Subtotal	71,766	16.5	1.5
	Home appliances	Refrigerators	19,126	4.4	13.6
		Washing machines	18,542	4.3	6.6
		Kitchen appliances	19,054	4.4	(1.8)
		Seasonal home electronics	21,583	4.9	(6.6)
		Personal care electronics	24,203	5.5	(0.5)
		Others	29,004	6.6	5.1
		Subtotal	131,515	30.1	2.2
	Information communications equipment products	PCs	41,171	9.4	11.9
		PC peripherals	14,400	3.3	3.5
		Cellular phones	53,561	12.3	(15.7)
		Others	29,400	6.7	(1.9)
		Subtotal	138,534	31.7	(4.0)
	Other products	Video games	21,288	4.9	(7.5)
		Watches	10,603	2.4	(14.2)
		Used PCs	4,979	1.2	16.1
		Sporting goods	5,392	1.2	2.2
		Toys	7,439	1.7	(1.3)
		Glasses and Contact lenses	3,146	0.7	(6.8)
		Liquors and Soft drinks	4,083	0.9	(0.4)
		Medicines and Daily goods	9,435	2.2	(9.5)
		Others	21,968	5.0	4.3
		Subtotal	88,338	20.2	(3.4)
	Retail goods sales		430,154	98.5	(1.1)
	Other business		6,433	1.5	(5.4)
	Total		436,588	100.0	(1.2)

Note: Above amount does not include consumption taxes.